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SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC FOR NEA STAFF

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HQ USAF FOR XOXX
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CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

SIPDIS

E.O. 12958: N/A TAGS: OPRC KMDR IS

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

¶1. Mideast

12. Missile Defenses

Key stories in the media:

The Jerusalem Post and Israel Radio reported that UN Secretary-General Ban Ki-moon, German FM Frank-Walter Steinmeier

STPDTS

(representing the EU), Russian FM Sergey Lavrov, and US Secretary of State Condoleezza Rice will hold a meeting of the Quartet tonight in Washington to discuss the Israeli-Palestinian conflict. The radio reported that Russia wishes to lift the international boycott imposed on the Hamas-led government. The Jerusalem Post quoted senior European officials as saying prior to the meeting that the Quartet will need to discuss the role it should play in the internal Palestinian strife, in addition to dealing with the standard Roadmap issues.

Ha'aretz, Yediot, and Israel Radio cited a claim by Fatah that members of its Palestinian Security Force arrested seven Iranian weapons experts working in the service of Hamas, including an intelligence officer, during a raid at the Islamic University, a Hamas stronghold in Gaza City, and that another Iranian committed suicide during the raid. The leading Internet website Ynet quoted a Palestinian source as saying that the officer supervised several weapons lab at the university. This morning electronic media reported that Hamas gunmen killed two members of a Fatah-linked intelligence service in Gaza. Israel Radio and Ynet reported that seven Gazans were killed in clashes this morning. Ha'aretz said that the Fatah forces apprehended some 1,400 firearms and missiles found at the site. Media reported that on Thursday six Palestinians were killed and at least 65 were wounded, including two children, during renewed clashes in the central Gaza Strip between armed Hamas and Fatah militants. Ha'aretz reported that Egypt blamed Hamas for the collapse of the cease-fire.

Leading media reported that on Thursday Defense Minister Amir Peretz announced his choice of a short-range rocket defense system developed by Rafael -- Israel's Armament Development Authority -- as the system the defense establishment will develop to defend Israel against Qassam rockets fired from the Gaza Strip. The system developed by Rafael and dubbed "Iron Dome" is planned to be capable of intercepting Qassam and Katyusha rockets with a small kinetic missile interceptor and is scheduled to be operational for deployment outside the Gaza Strip and along the northern border within two years. Israel Radio quoted the Prime Minister's Office as saying that Peretz's decision on the system - whose development is valued at USD 300 million -- is not valid and that it must be endorsed by Olmert. Israel Radio quoted an Israeli defense source as saying that, had Israel insisted upon developing a laser-guided US Nautilus system, Sderot would now be protected from Qassam rocket fire. Hatzofe and Yediot reported that on Thursday Syria test-fired a Scud missile in its desert and an Israeli Arrow battery monitored the test.

All media reported that the Winograd Committee probing last summer's war in Lebanon grilled PM Ehud Olmert during six hours on Thursday. The media reported that Olmert stood by the decisions he made during the war. Yediot (banner) and other media reported that the members of the committee asked Olmert why he entrusted the Defense Ministry with Amir Peretz. Maariv reported that Olmert told the committee that he was unaware of the condition of the army reserves. Maariv also quoted Olmert as saying that Israel had no choice but to go to war, including the ground operation during its last two days. Ha'aretz reported that IDF Chief of Staff Dan Halutz forbade top IDF officers from expressing opinions that diverged from his own to cabinet members during the war, in a policy that that caused great controversy within the General Staff. All media quoted Peretz as reiterating on Thursday that he has no intention of leaving the Defense Ministry and that he is suited to the post. Ha'aretz cited an announcement made by the Finance Ministry on Thursday that four Arab villages near the border will be eligible for the standard government assistance offered to frontline communities that suffer the ravages of conflict.

Leading media reported that on Thursday Israeli security forces shot and killed four Palestinians. Over 30 Palestinians were arrested in a West Bank sweep. Ynet reported that last night the IDF unintentionally killed two Fatah activists near Ramallah.

The Jerusalem Post reported that on Wednesday, Saudi diplomatic official Jamal Khashoggi, who accompanied Ambassador to the US Turki

Al-Faisal to a Capitol Hill reception condemning anti-Semitism, told the newspaper that the Holocaust was a "horrible" episode.

The Jerusalem Post reported that Palestinians in Iraq face an "ethnic cleansing."

Leading media reported on French President Jacques Chirac's flip-flop statements on the possibility that Iran may turn nuclear.

On Thursday Ha'aretz ran an informal feature about the non-immigrant visa-granting process at the US Embassy in Tel Aviv.

Following Vice PM Shimon Peres's visit to Qatar, Maariv ran a feature about that gulf state. Other media, including Channel 10-TV, have announced that they will screen reports from Qatar.

Maariv reported that the Conference of Major Jewish American Organizations has canceled a planned trip to the Gulf emirates -- Dubai and Abu Dhabi -- following a message it received from state sources in the United Arab Emirates that a visit by some of its members might cause rioting.

Hatzofe reported that on Thursday Muslim Congressman Keith Elison (D-Minnesota) strongly condemned Iranian President Mahmoud Ahmadinejad's Holocaust denial.

Yediot reported that the organizers of the Tehran Film Festival have canceled the planned screening of an Israeli documentary about the war in Lebanon and the Israeli-Palestinian conflict.

Ha'aretz and The Jerusalem Post reported that Michael Bloomberg, Mayor of New York City and "one of the richest people in the US," dedicated a USD 6.5 million state-of-the-art emergency rescue service in Jerusalem in memory of his father. The new Jerusalem regional station of Magen David Adom will be named for William H. Bloomberg, who died in 1963 while the Mayor was in college. The media said that Magen David Adom stressed that Bloomberg was the leading donor in the remodeling of the organization's center and in improving the services it offers. Hatzofe quoted Bloomberg as saying that Israel should not hold contacts with Hamas.

1. Mideast:

Summary:

Diplomatic correspondent Herb Keinon wrote in the conservative, independent Jerusalem Post: "In no time at all Olmert's government might be gone, and the regimes in Saudi Arabia and Egypt may come up with a different interpretation of their own interests. Hence the narrowness, in the eyes of many in the world, of opportunity's newest Mideast window."

Former foreign minister Shlomo Ben-Ami wrote in the independent, left-leaning Ha'aretz: "What lies in the balance ... is too important for Israel and the United States to keep refusing to put Bashar Assad's intentions regarding peace to the test."

Block Quotes:

¶I. "Aches and Panes"

Diplomatic correspondent Herb Keinon wrote in the conservative, independent Jerusalem Post (2/2): "Suicide bombers may still be blowing up Israelis, Qassam [rockets] may still be falling on Sderot, Iran may still be marching toward nukes, Hizbullah may still be stockpiling missiles, Palestinians may still be on the brink of a civil war, Hamas may still be giving no indications of changing its stripes, Prime Minister Ehud Olmert's government may still be on the verge of collapse, Palestinian Authority Chairman Mahmoud Abbas may still be unable to deliver anything, but listen to the background music emanating from capitals around the world and what you hear is a chorus of people singing -- once again -- about a Middle East peace 'window of opportunity'.... In no time at all Olmert's government might be gone, and the regimes in Saudi Arabia and Egypt

may come up with a different interpretation of their own interests. Hence the narrowness, in the eyes of many in the world, of opportunity's newest Mideast window."

II. "Test of Syria's Intentions"

Former foreign minister Shlomo Ben-Ami wrote in the independent, left-leaning Ha'aretz (2/2): "If [Secretary of State Condoleezza] Rice and the Quartet members are unable to cut the Gordian knot of the Israeli-Palestinian conflict, instead of continuing the Sisyphean task of untying it, they're better off deciding on what steps to take so they can move over immediately to an Israeli-Syrian peace track. Such a move would have an unprecedented effect on creating the conditions for the maturation of an Israeli-Palestinian settlement. But there is another failure in the U.S. strategy, which assumes that Syria must be isolated rather than turned into a negotiation partner, as the Baker-Hamilton report recommends. lies in the balance -- a more functional regional order, stability in Lebanon and a severing of the Damascus-Tehran axis -- is too important for Israel and the United States to keep refusing to put Bashar Assad's intentions regarding peace to the test. There is no need to reinvent the wheel to solve the problem on the Palestinian front or on the Syrian front. In both cases, the solution is already known. The problem is the lack of political will and the leadership failure on both sides."

12. Missile Defenses:

Summary:

The conservative, independent Jerusalem Post editorialized: "The option of 'demilitarizing' space does not exist. The choice is between leaving the populations of free nations exposed to missile attack, or taking advantage of the best technologies available to meet that threat."

Block Quotes:

"Build Missile Defenses"

The conservative, independent Jerusalem Post editorialized (2/2):
"On January 11, China shot down its own defunct satellite, claiming it was cleaning up 'space pollution.' Israel is not the only country, however, to suspect China might have been demonstrating more than its environmental awareness... How ... can satellites be defended?... The only real way to defend satellites is with a comprehensive anti-ballistic missile (ABM) defense system. As it happens, the United States has been talking about such a system for over two decades... Such a system is necessary not just to defend satellites, but millions of people.... In this context, we hope administration opponents in Congress will abandon their anachronistic opposition to space-based defense systems. The option of 'demilitarizing' space does not exist. The choice is between leaving the populations of free nations exposed to missile attack, or taking advantage of the best technologies available to meet that threat."

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